

BRITAIN AND THE BOLIVARIAN REPUBLICS,
1820-1850:
Interimperium and the Tariff

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I. BOLÍVAR

It is proposed here that the liberation which Simón Bolívar helped win for the northern territories of South America was, in economic terms, particularly pronounced in the last decade of his life and for at least a generation after his death in 1830. Free trade and British hegemony seem not to have been ushered in with the defeat of the royalist armies. I wish to assert this point at the outset, but not to engage in any proof of it. I do not believe it to be particularly controversial, as section three tries to make clear. Analysis instead will be confined to the complex and ambivalent issue of the tariff and its contribution to the independence of the Bolivarian republics before 1850.

Bolívar had considerable respect and admiration for Britain and seemed at times to be willing an immediate imperialist succession.¹ In Johnson's view he was "remarkably constant in his confidence that the British held the key to political and economic happiness," enthusiastically conceding to them a variety of useful privileges (Johnson and Ladd 1968: 82-83). This, however, ought not to be taken too far. Observations about Britain's "irresistible ascendancy" and America becoming free "in England's shadow" carried as much realpolitik as they did amity. Britain was the coming power, and the cause of independence in the Americas needed her active support in Europe. Realism, moreover, could shade into fatalism, Bolívar writing in 1822 of a continent "encircled by the floating fortresses of foreigners who are therefore enemies." The English "desire to

* I am grateful to Dr. Bill Albert and Dr. Shaun Hargreaves-Heap for reading drafts of this paper and offering me much excellent advice. As the original Spanish versions of a few documents have not been available I have, for the sake of consistency, used English translation throughout.

1 See articles in *Gaceta de Caracas* (Caracas, Feb. 2 and June 9, 1814) in Lecuna and Bierck (1951, I: 70, 79) and quotation in Trend (1951: 164).

lay down the law to us and [...] ultimately will.”² It would also be an obvious error to see him as a steady practitioner of liberal ideals. His attachment to these was partial, irregular, frequently tactical and legitimising, and in the end dispensable in the name of order and sound government.

Policies were much affected by local circumstance. Bolívar’s inability to stabilise any of his new states and his own setting of interventionist precedents resulted in a consolidation of the military in the body politic and, thereby, an augmentation of fiscal pressures on the various national treasuries such as to make any abandonment of customs-house income an impossibility.³ “The treasury is in a deplorable state,” he wrote of Colombian finances in March 1829, “I do not know where or how to find the means with which to maintain the army.”⁴ Foreign trade provided the answer. He decreed some weeks later that since “the expenses of the Republic have increased with the necessity of maintaining itself in a defensive attitude with respect to Spain [...] and with that of arming itself to repel the aggression of Peru [...] it is absolutely essential to secure the highest possible revenue from duties of importation.”⁵

Bolívar was no servant of British commercial liberalism; neither was he any national economic liberator, vigorously pursuing some patriotic objective of strength through separation. The tariff could certainly be a distancer and a source of benefit to local industry and agriculture but it was there essentially to provide funds for ill nourished treasuries in militarized societies. The consolidation of economic independence, for what it was worth, was in part the byproduct of much pettier consolidations of local governmental power and accompanying inconveniences to the European merchant and investor.

II. CONCEPTS

It is necessary, before proceeding with argument and documentation, to give some attention to the key concepts featuring in the discussion. Three terms in particular require attention: “*interimperium*”, “*imperial-*

2 Bolívar to Santander, Dec. 23, 1822, in Lecuna and Bierck (1951, I: 307); see also Belaúnde (1938: 263).

3 Johnson and Ladd (1968: 46, 100); Halperin Donghi (1973: 1-4, 9-12, 17-24); Lynch (1973: 343-344).

4 Bolívar to Castillo y Rada, Mar. 19, 1829, in Lecuna and Bierck (1951, II: 718).

5 Copy of tariff decree in PRO, BT 1/271, Campbell to Aberdeen, July 6, 1829. See also Ospina Vásquez (1955: 103-104).

ism", and "the tariff". "Interimperium" means a period "between imperialisms", just as "interregnum" — an ancient word of identical construction and similar meaning — refers to a period "between reigns". It has considerable relevance to Spanish America between independence and mid-century, though whether it is of any use for the study of modern post-colonial societies I am much less certain. Notionally it should be. Independence movements disrupt external relations, break the old imperial "peace", and create a new and unstable body politic which generates various forces of repulsion helping to keep fresh predators temporarily at bay. They may not succeed, however, in a tightly integrated world. In the late twentieth century, imperial Moscow and Washington, hypersensitive to each other's real and imagined ambitions, are ever active and competitively intrusive; ideology and intelligence activities exercise powerful covert influences; and disorder in the new states creates openings for sophisticated metropolitan opportunism. The usefulness of the term, therefore, is probably rather limited historically. The general question of imperial sequences, however, is one of perennial importance.

"Imperialism" also needs some comment. "Interimperium" remains ambiguous as long as "imperium" is left undefined. I propose to avoid controversy very deliberately here by taking substantial account of common academic usage — more so than I have done in the past.⁶ This is what logicians and others call relaxing one's assumptions: a thoroughly respectable means of diversifying a line of argument. Semantics can, within reason, be approached in dialectically functional terms. Failure to recognise this has thoroughly blighted studies of imperialism, so much dissension coming to rest on often obscurely articulated definitional divergences. What I am looking for on one side of the interimperium is the crumbling monolith of Spanish colonialism, something which needs no further comment here; and, on the other side, a decisively established, formative cluster of trading and financial links with Great Britain characterised by a high degree of commercial liberalism and commodity specialisation. The issue, essentially, is domination and a loss of strategic initiatives to the foreigner.

Thirdly — and at some length — "the tariff". We need an early sounding of alarm bells to draw attention to the labyrinthine difficulties of tariff evaluation, some of which are conveniently ignored in a lot of historical analysis. It is, by J.R. McCulloch's description, "a Table, alphabetically

6 See Mathew (1968: 562-563). In subsequent publications I have deliberately made very little use of the term.

arranged, specifying the various duties, drawbacks, bounties, etc. charged and allowed on the importation and exportation of articles of foreign and domestic produce" (McCulloch 1844: 1208). Tariff schedules are open to infinite diversification, with different and changing duties, specific and *ad valorem*, on a potentially very wide range of exchanged commodities. Its economic functions, intended and concomitant, can also be numerous. Measurement of impact, accordingly, is very complex. Five important aspects of the tariff can be looked at here: its degree, its accompaniments, its political implications, its abstract convertibility from "nominal" to "effective" rates, and its objectives.

Since tariffs vary a great deal in level, duties may be so low that we have near-free trade, or so high that we have effective prohibition. How much of the lower end of a tariff schedule deserves, practically if not conceptually, to be lumped with free trade? Or in terms of our historical issues, how many of the North Andean import duties seriously worried the British? Answers cannot easily be provided. For one thing, the scale of local competition differed between commodities. Related to this were wider variations in price elasticities of demand. With high elasticity, a 5 per cent tariff could cause a notable decline in sales; with low, a 30 per cent tariff might have very little effect at all. The necessity for import-trade disaggregation is, to say the least, methodologically awkward. There is, additionally, the subjective dimension. If the British believed, without resort to careful analysis, that 15 per cent on cotton cloth was damaging to their interests and expressed themselves forcefully on the subject in Lima or Bogotá, then that in itself is a very basic datum. In 1872, after all, the House of Commons called for the repeal of 3½ to 5 per cent duties on cottons entering India on the grounds that they were "protective in their nature."⁷

Secondly, accompaniments to the tariff. Duties were usually just one portion of a whole body of inter-related factors serving, deliberately or accidentally, to impede trade. There could, for example, be shipping and harbour dues; upcountry sales taxes; tariff discrimination against goods carried in foreign ships; exchange-rate instability; dangers of physical and financial assault; anti-foreign sentiment; absence of treaties; market-disrupting political turbulence; persistence of protection and colonial preference in Britain herself, limiting exchange; and high freight costs on ocean voyages and inland transport. These and other negative influences on commerce put the tariff in perspective and draw attention to the futil-

7 Resolution of July 11, 1877, reproduced in Dutt (1960, II: 299).

ity of any analysis which attempts to treat it in isolation. It must be firmly inserted in what one might term the compound trade barrier.

Thirdly, the broad political implications of the tariff. If, crudely, we identify it with economic independence and set it in opposition to a loosely defined imperialism we do run the risk of seeing it as essentially progressive-radical in political complexion. Duties become so many stones in the sling, aimed at the giant. Assumptions about progressivism, however, must be queried. Tariffs designed for protection frequently confer advantage on the politically influential producer at the expense of other parties. "Most arguments for tariff protection," writes Samuelson, "are simply rationalizations for special benefits to particular pressure groups."⁸ Balassa has drawn attention to the danger of local monopolies being encouraged in countries with small domestic markets (Balassa et al. 1971: 79). Tariffs, moreover, represent only the crudest sort of economic planning, working in the main through price skewing in the free market (Myint 1971: 171-172). They are, further, a set of indirect and highly regressive taxes, being widely levied, historically, on articles of mass consumption. As sources of state revenue they have also served to finance oppressive, corrupt, and debt-ridden regimes.

Fourthly, the distinction between "nominal" and "effective" protection — the main development in tariff theory over the last twenty years.⁹ It is recognised that the study of relations between import duties and, say, the local production of cotton cloth ought to take account of more than just the duty *on* that cloth. Duties on imports of inputs for cotton cloth production (e.g. yarn) must also be included, input-output and value-added calculations made, and the rate of *effective* (as distinct from *nominal*) protection calculated. Further adjustments giving *net* effective protection are made for whatever exchange-rate strengthening has occurred in consequence of the imposition of the tariff (thereby reducing its effect). This can also be done for nominal duties. Differences can be very wide. According to Balassa's calculations, for example, processed foods in Chile enjoyed 82 per cent nominal, 2,884 per cent effective, and 1,676 per cent *net* effective protection in 1961 (Balassa et al, 1971: 54,56). This advanced conceptualization imposes considerable demands on the historian and can make the exercise of necessary-data collection (price

8 Samuelson (1976: 703). See also Kindleberger (1968: 128) and Schumpeter (1951: 102-104).

9 For example Balassa (1971: 3-9, 21-25, 49-69); Corden (1971: 1-2); Corden (1966: *passim*); H.G. Johnson (1971: 285-391).

series, for instance) highly problematical. They also force an abandonment of glib judgement in favour of frequent, honest agnosticism.¹⁰ Finally, the objectives of tariff policy. These can be numerous and, to varying degrees, contradictory. "Not all [...] aspects of the tariff refer to the same analytical viewpoint," warns Kindleberger, "and it is of the utmost importance to distinguish carefully at what level of interest the discussion runs" (Kindleberger 1969: 105). Among the main reasons for duties on trade are: first, increased government revenues (the prime one historically);¹¹ second, protection for local producers and their employees or, more specifically, for infant industries (the prime one theoretically);¹² third, (and an enlargement of the second), economic diversification and a less vulnerable status in the international economy; fourth, strengthening of the balance of payments; fifth, an improvement in the terms of trade; sixth, an ability to attract more foreign capital; seventh, assistance to economic activity of strategic and military importance; eighth, the acquisition of a bargaining counter for commercial negotiations. The main contradiction here is that between the revenue goal and the protection goal. A good revenue tariff requires a commodity for which demand has a low price elasticity at home (meaning that people will continue to buy and import, largely regardless of inflated cost) and a low home elasticity of supply (meaning that local producers will not succeed in import substitution). And what suits the government in these respects suits the metropolitan trader as well. A good protection tariff requires the opposite conditions: high elasticities of both demand and supply. It is the sort most likely to offend the foreigner. Revenues need a continuing flow of imports; protection requires a significant degree of blockage. "Whether or not free trade is better than moderate tariffs," writes Richard Lipsey, "depends on the policy goals that one is trying to maintain" (Lipsey 1966: 777). It is, claims G.D.H. Cole, "a question of expediency, to be settled in accordance with the particular circumstances of each country" (Cole 1932: 426).

10 Economists themselves are to be heard bemoaning the absence of a sufficient "corpus of respectable theoretical work that conceptualizes the issues raised by import competition and enables the empirical analyst to examine the phenomenon of import competition insightfully" (Bhagwati 1982: 1).

11 For a notable example, see Davis (1966: 306-308, 310, 316-317).

12 "The infant industry argument for protection," writes Harry Johnson, "is one of the two exceptions allowed to the classical case for the beneficiality of free trade (the other being the optimum tariff argument)" (H.G. Johnson 1970: 59).

III. HISTORIOGRAPHY

What views do historians offer on the general issue of imperial succession?

Intellectually, the crudest characterisation is the one that presents the British as instant and triumphant imperialists in the 1820s; that talks of free trade and of great inundations of foreign manufactured goods; and that describes in a sentence or two the devastation of Spanish American industry. What is of special interest, however, is not so much that we have some diversity of opinion (in quality as well as substance), but that serious scholarship does reveal a rather surprising degree of unanimity. Many historians do accept, by implication, the notion of an interimperium, though few of them give much attention to the tariff.

One certainly gains an impression of comprehensive disagreement from the 1980 Platt and Stein and Stein papers in the *Latin American Research Review*, but it is a misleading one, resting in part, as Albert suggests, in a differing "use of words [...] dating, emphasis" (Albert 1983: 25). The only solid element in the controversy is the contrast in views over what constitutes national economic autonomy. For our purposes it is sufficient to record that Platt, in line with his earlier writings on the subject, views matters in thoroughly non-imperial terms, largely because of low volumes of trade (Spanish America being allegedly "over the edge of the periphery" - Platt 1980: 115-119), and that Stein and Stein refute Platt's charge that they have presented the transition from colonial to post-colonial as in any sense "smooth", given the realities of "a long destructive war for independence and its equally traumatic aftermath" (Stein and Stein 1980: 133).

In their earlier book on the *Colonial Heritage* the Steins are sometimes rather imprecise on the succession, claiming that the English helped destroy Iberian imperialism and "on its ruins [...] erected the informal imperialism of free trade and investment" (Stein and Stein 1970: 155). They do imply, however, that this was a long-term rather than an instant achievement since so much of the colonial heritage was a continuation of old Spanish restrictions of mind and institution. Early neocolonialism is viewed not so much as intrusion by and collaboration with the British (in the manner outlined by some other *dependentista* writers) but rather as the problematical survival of past "colonial patterns of production, capital accumulation and investment, income distribution and expenditure" which acted as "barriers" to economic change. A "viable basis of export economies" only emerged half a century or so after independence (Stein

and Stein 1970: 136). Platt's and the Steins' factual perceptions of the early national period are really rather similar.¹³

Platt's view of an introverted Latin America, most of its states counting for little in the world economy before the middle of the nineteenth century, is, in the broadest terms, shared by André Gunder Frank. "During the period of the mid-twenties to the mid-forties or fifties", he writes in *Capitalism and Underdevelopment*, "the nationalist interests from the interior were still able to force their governments to impose protective tariffs in many countries. Industry, national-flag shipping, and other development-generating activities showed spurts of life." Only in mid-century did the free traders, "allied and subservient to the foreign metropolitan interests," succeed in gaining control of governments (Frank 1969a: 287, 289). Eric Hobsbawm observes in *Industry and Empire* that "British businessmen had great hopes of Latin America in the 1820s, when they hoped to create an informal empire there by the setting-up of independent republics. They were, at least initially, disappointed" (Hobsbawm 1969: 131n.). In her *British Commercial Policy and Trade Expansion*, Judith Blow Williams comments that "British commercial relations with the newly independent states of Spanish America posed many problems [...] Most had unstable governments. Often political parties made capital of anti-foreign feeling [...] The states might be plagued by fiscal difficulties which they would try to meet at the expense of the foreigner" (Williams 1972: 271-272).

Finally, in this abbreviated list, Tulio Halperin Donghi. In his *Aftermath of Revolution* Halperin writes rather vaguely about extreme liberation and floods of imports, but such observations are not built into any claim that the continent was falling instant prey to a new imperialism (Halperin Donghi 1973: 46-47). Much time in fact is spent documenting and analysing post-independence militarization and the illiberalism that usually accompanied it. "The liberal hour," he observes, "was to strike in Latin America only in the middle of the century" (Halperin Donghi 1973: 1-43, 140). The flood of imports was not sustained. A sharp and vital distinction is drawn between the destruction of the old commercial systems and their financial components, which Halperin claims did take place, and that of local industry which, he suggests, in substantial measure "held its own" (Halperin Donghi 1973: 46-52; 1969: 104-106). In *Historia Con-*

13 Stein and Stein (1980: 140) write that "it is not primarily the facts that are in dispute" and note "surprising agreement" between their work and Platt's earlier findings.

temporánea he dates the beginnings of "the neocolonial order" from the middle of the century (Halperin Donghi 1969: 207-208).

Among the various ideas present in the historical literature, one formulation — sometimes explicit, sometimes only loosely hinted at — seems particularly appropriate, and that is that the neocolonial features of the republics were, *pace* Stein and Stein, dominantly Spanish rather than British; and, *contra* Bonilla and Spalding (1972: notably 55, 60), that the old colonial order, in its now highly disturbed and militarized state, instead of attracting the British in fact cramped and repelled them. The notion of a set of export-oriented economies simply and easily shunting their metropolitan links north from Spain to Britain in the 1820's is a non-sense. Leopoldo Zea gets to the heart of the matter when he writes that the independence wars "had been animated more by the Hispanic imperial spirit than by the spirit of liberty [...] The struggle had not been between America and Spain, but between Spain and Spain. A younger Spain, but Spain after all, had conquered the old Spain" (quoted in Johnson and Ladd 1968: 216-217). Bolívar, who manifested much of that imperial spirit himself, pronounced at Angostura in 1819: "The relicts of Spanish Dominion will continue a long time before we can completely destroy them" (Bolívar 1819: 12).

IV. NORTH ANDEAN TARIFFS

The specific issue of the tariff is an important one in relation to questions of foreign intrusion. It is also a very difficult one to handle. To some extent, as indicated earlier, we escape into subjectivity. If South American states, rightly or wrongly, identified a portion of their national wellbeing with tariffs and the British, ignoring their own protectionist and preferential practices back home,¹⁴ opposed them, then there was a quite real conflict. As Bolívar viewed it, "free commerce in our ports is the very foundation of English national power." Britain had no interest beyond "the prospects of a valuable commerce" (Lecuna and Bierck 1951, I: 71; II:

14 As late as 1844 an exporter from the Bolivarian states faced duties of 4 1/5d a lb on cacao ("oppressive," according to J.R. McCulloch), 3s a lb on tobacco ("a great deal too high"), 63s per cwt on sugar ("prohibitory"), 8 2/3 a lb on coffee, and up to 20s a quarter on wheat, rates for equivalent produce from British colonial areas being 1d, 3s, zero, 4 1/3d, and up to 5s respectively (McCulloch 1844: 21, 290, 296, 1190, 1209-1227).

503). High tariffs might be taken as a threat to those prospects. Being the product of governmental enactment they, along with other regulations and treaties, became the prime focus of metropolitan political economy in the continent. Whether or not they truly merited much attention is a matter that we shall investigate.

Attention will be given to a number of typical *import* tariffs from Gran Colombia and Peru, and then to an atypical one, that of Bolivia (and of the Peru-Bolivia Confederation of 1836-39). Gran Colombia was a federation of territories dating from 1821 and splitting in 1829-30 into the three separate states of Colombia, Venezuela, and Ecuador. Most tariffs of the 1820s were variants of an 1817 *Reconquista* schedule.¹⁵ In 1823 most duties for goods imported in foreign vessels were set within the range 15 to 25 per cent. 17 ½ per cent was levied on cottons, linens, woollens, and worsteds. A number of agricultural products such as coffee, cacao, indigo, tobacco, and sugar were prohibited.¹⁶ Edward Watts in Cartagena found the restrictions "burdensome,"¹⁷ while James Henderson, the consul general in Bogotá, wrote to Pedro Gual, the foreign secretary, of his "zealous wishes to promote the establishment of a liberal commercial code in Colombia," exposing him to long exercises in determined Smithian logic.¹⁸ The tariff, he suggested, was not as reasonable as it seemed. For one thing, a high proportion of British goods came in through the once-illicit channels from Jamaica and were forced to pay an additional 5 per cent, thus pushing the textiles rate up to 22 ½.¹⁹ Moreover, the methods of the colonial *arancel* had survived independence and were introducing false valuations and corruption into customs procedure. Officials ignored invoices and placed their own estimates on the value of a cargo. Henderson claimed that 17 ½ per cent could rise in effect to 30 to 40 per cent.²⁰ Traders were feeling "repugnance" at a system that required

15 PRO, BT 6/37, Henderson to Canning, Jan. 8, 1824. See also Ospina Vásquez (1955: 96-97).

16 PRO, FO 18/37, Wood to Canning, Feb. 28, 1826, in Humphreys (1940: 247-248); PRO, BT 6/40, Henderson to Canning, Oct. 9, 1824.

17 PRO, FO 18/6, Watts to Canning, May 9, 1824, in Humphreys (1940: 265).

18 PRO, BT 6/37, Henderson to Gual, June 25, 1824; PRO, FO 18/16, Henderson to Gual, Jan. 27, 1825.

19 PRO, BT 6/40, Henderson to Canning, Oct. 9, 1824; see also PRO, BT 6/37, Tupper to Hamilton, Jan. 16, 1824, and PRO, FO 18/6, Watts to Canning, May 9, 1824, in Humphreys (1940: 256-258).

20 PRO, BT 6/37, Henderson to Canning, Jan. 8, 1824, and Henderson to Gual, June 25, 1824; see also Ospina Vásquez (1955: 93-94).

them "to introduce certain goods under duties amounting to a prohibition."²¹

Little notice was taken of the complaints. A tariff law of March 1826 raised the "average" from 25 to 28 per cent,²² and a decree of Bolívar's in 1828 gave rates for over 1,000 items.²³ A further law, of 1829 ("the personal work of the Liberator" – Ospina Vásquez 1955: 98) got rid of the discrimination against British colonial imports but took immediate compensation by applying the old Jamaican rate to the directly imported textiles. The range for goods brought in in foreign vessels extended from 18 to 33½ per cent. There were also many specific duties and one or two prohibitions (including sugar cane).²⁴ Patrick Campbell, the British chargé d'affaires in Bogotá, considered the new rates to be a notable increase overall but did not, oddly, think himself "authorized to make any representation or remonstrance."²⁵ Shortly after, another decree was issued banning imports of certain cloths into Guayaquil and other Pacific ports.²⁶ Tariffs in lesser Colombia after the secessions continued at these quite high levels until the middle of the century.²⁷

There is no question that these newly issued duties were imposed in considerable measure for revenue reasons though the customs houses usually came second to the tobacco monopoly as a source of funds (McGreevey 1971: 40). Bolívar's insistence on the need to finance the army from trade in 1829 has already been cited.²⁸ It seems that the tariffs were generally successful as revenue raisers since the price elasticity of both supply and demand for the commonest imports, namely textiles, was low. This suited both the government and the British. Edward Watts commented that as "coarse manufactured goods" were of "indispensable necessity to the mass of the population of this country, the increased

21 PRO, BT 6/37, Henderson to Gual, June 25, 1824. See also critical remarks on "heavy duties" and depressed trade in Ducoudray Holstein (1830, I: 29, 267, 269). These conflict with Ospina Vásquez's and Huck's references to "free trade" in the 1820s: Ospina Vásquez (1955: xii, 100; Huck 1972: 18-19).

22 PRO, BT 6/54, Watts to Bidwell, April 23, 1828.

23 PRO, BT 6/54, Henderson to Dudley, Apr. 13, 1828.

24 PRO, BT 1/271, Campbell to Aberdeen, July 6, 1829.

25 Ibid.

26 PRO, BT 1/271, Decree of Aug. 1, 1829; PRO, BT 1/265, Campbell to Aberdeen, Sept. 29, 1829.

27 PRO, BT 1/288, Turner to Palmerston, Apr. 14, 1832; Huck (1972: 18, 25-29); Ospina Vásquez (1955: xii, 147).

28 See also Ducoudray Holstein (1830, I: 11, 28, 30); Huck (1972: 21); Lynch (1973: 343-344); McGreevey (1971: 78); Ospina Vásquez (1955: 100); PRO, BT 1/250, Watts to Bidwell, Mar. 17, 1828.

duties on them are not considered as prejudicial to their importation [...] and that consequently those heavy duties will fall wholly on the consumers of those manufactures.”²⁹ Four years later, when duties on textile imports into the rump of Colombia went up to 30 per cent, the British chargé in Bogotá declared it did “not in itself involve a hardship sufficiently considerable to justify any strong complaints on the part of our commerce.”

He also pointed out that the “alleged motives” for the increase had been “the necessities of the State, & the determination of this Govt. to enforce the Principle [...] of encouraging domestic manufacturers.”³⁰ Both objectives, for reasons given earlier, could not have been secured simultaneously and comprehensively. The textile duties, as suggested, were not working very protectively, although the defensive objective was always around (Ospina Vásquez 1955: 121-122). The early prohibition on imports of coffee, cacao, sugar, and other commodities produced in Gran Colombia ruled out revenue-raising and, smugglers permitting, must have been of some assistance to landowners and other agricultural groups. In the late 1820s, repeated petitions from the celebrated manufacturing province of Quito for a prohibition of certain cotton and woolen imports, “the introduction of which has been found prejudicial to the Industry of the Country, and to the consumption of its manufactures, which was formerly the source of wealth to that Department,” was the reason for Bolívar’s decision to close the Pacific ports to a variety of competing textiles in 1829.³¹ Huck identifies strong protectionist sentiment under Santander in the 1830s (Huck 1972: 17, 25-29). At the end of our period the duty on so-called *domésticas* was, according to Ospina Vásquez, as high as 51 per cent (McGreevey 1971: 80).

Non-prohibitory regulations are difficult to assess without contrasting sets of price indices. Protection, too, has to be measured by the nominal rate since the data on import coefficients and on value added in manufacture are not available for calculations of effective duties. No adjustments either can be made with any pretence of accuracy for exchange-rate changes consequent upon any reduction in imports. These points have to be stressed lest the impression be gained, here and below, that our remarks offer anything more than the sketchiest outline of the possible implications of the tariff. Luckily, revenue and protection represent

29 PRO, BT 6/54, Watts to Bidwell, Apr. 23, 1828.

30 PRO, BT 1/288, Turner to Pereira, Mar. 20, 1832.

31 Decree of Aug. 1, 1829 in PRO, BT 1/271; see also Ospina Vásquez (1955: 101, 123).

something close to the sum of the objectives. Tariffs were modestly conceived, and an important notional objective like improving the terms of trade could be ignored since none of these countries had the sort of purchasing power likely to influence British prices back home. The protective impulse, too, derived not so much from any diversification or infant-industry plans but from simple political concerns – trying to humour the large landowners and head off trouble from the artisans in Quito.

Venezuela became a separate state in 1830 and seems to have inherited most of the old Colombian tariff, its broad features persisting up until the start of the “Yellows” and “Blues” struggles of the late 1840s (Williams 1972: 280-281). The Venezuelans attempted, unsuccessfully, to bargain with the British in 1844 for a reciprocal reduction of import duties, offering lower rates on ironware in return for the same on sugar and on coffee.³² By the end of the decade duties were rising, reaching an average of 37 per cent in 1847-48 and 41 per cent in 1848-49. On top of that, “extraordinary contributions” of 10 and 15 per cent were required after June 1849.³³ The government would listen to no appeals for moderation, complained Belford Wilson. He noted the usual combination of revenue and protection motives. “The heavy expenses [...] incurred in the suppression of General Páez’s two Rebellions in 1848 and 1849, serve as a plausible popular topic on which to descant as an argument in favour of the continuance of Heavy Duties on Trade and for a necessity of protecting Native Industry.” There was “a strong and increasing [...] clamour” for the latter objectives.³⁴ It may well have been widely secured. Low elasticity of demand for textiles and other British goods had helped keep up revenues in the past and limited the range of protection (“our manufactures [...],” in the words of a British consul in 1830, being “in common use among all classes” and “among the objects of necessity”),³⁵ but with high duties combining at the end of the 1840s with political turmoil the scene altered quite drastically. Imports fell from a peak of £1,183,988 in 1841 to £437,116 in 1848-49. The British figure dropped from £196,217 in 1847-48 to a pitiful £97,476 in 1848-49.³⁶ One way or another “Native Industry” was getting more of the home market. The balance of tariff-effect probably tipped decisively away from revenue towards protection.

32 PRO, FO 80/29. Fortique to Aberdeen, Jan. 8, Apr. 9, May 29, Oct. 15, 1844; Aberdeen to Fortique, Feb. 26, Oct. 12, 1844.

33 PRO, FO 80/76, Wilson’s “General Review of the Trade of Venezuela in 1848-1849.”

34 PRO, FO 80/76, Wilson’s “General Review of the Trade ...”

35 PRO, BT 1/297, Wall to Bidwell, Aug. 13, 1830.

In Peru, moderate-to-high tariffs persisted from independence till the 1850s, with one notable relaxation in the short period of the Peru-Bolivia Confederation 1836-39 (which will be looked at with Bolivia). In 1822 the duty on textiles and hardware goods, if imported by foreigners, was set at 25 per cent and in 1825 this was raised to 35 per cent. In 1826 it came down to 30 per cent, but was set alongside 80 per cent levies on a variety of rough cottons and woollens (*tocuyos* and *bayetones*), ready-made clothes, hats, boots and shoes, furniture, sugar, tobacco, hides, and spirits. All duties were subject to *arancel* irregularities.³⁷ In the years that followed a number of the strongly protected items moved from high duties to prohibition and back.³⁸ A degree of liberalisation occurred in 1833 but its importance should not be exaggerated. Most rough textiles remained on the prohibited list and boots and shoes and a number of cloths came down from 90 to 45-50 per cent. Wheat and flour rose to 93 and 67 per cent respectively. European-style woollens and cottons were to be allowed in at 25-45.³⁹ The 25 per cent rate dropped further to 20 in 1835, but only if cargoes had come directly to Peru. If they were warehoused *en route* in any non-Peruvian Pacific port the duty was to be 33 per cent – an inconvenience to traders who made use of Valparaiso, “the Deposit Market of the Pacifick.”⁴⁰

It is also misleading to refer to decisive liberality in the tariff of 1840.⁴¹ In the charged atmosphere following the demise of the Peru-Bolivia Confederation Gamarra was prepared to concede reductions on wheat and flour for the benefit of his Chilean allies, but the rate for cottons, linens, and woollens (except prohibited *bayetones*) was set at 25 per cent and low Confederation duties of 5 per cent on a number of items were pushed up to levels ranging from 6 to 40 per cent.⁴² (It was also in 1840 that the Peruvian government set about constructing the monopolistic system of guano exporting.) The trend became markedly upward again after 1848.

36 PRO, FO 80/76, Wilson's “General Review of the Trade ...”

37 PRO, FO 61/8, Ricketts to Canning, Dec. 27, 1826, in Humphreys (1940: 144, 146-191, 198-206).

38 Gamarra decree, Feb. 20, 1832, in PRO, BT 1/288, Kelly and Willimot to Bidwell, Apr. 21, 1832.

39 PRO, BT 1/303, Wilson to Palmerston, Dec. 18, 1833; Manuel del Río to Wilson, Dec. 18, 1833; Hunt (1985: 308).

40 PRO, BT 1/312, Wilson to Palmerston, Feb. 14, 1835.

41 See Gootenberg (1982: 331, also 335) – where it is referred to as “liberal legislation.”

42 PRO, FO 61/82, Wilson to Palmerston, Apr. 15, 1841; Hunt (1985: 308).

Local textile factories were granted 40 per cent protection and duty-free imports. In December 1849 it was decreed that the executive could place a 90 per cent duty on any manufactured articles it chose. 1 per cent was added to all import taxes and in the same year the *tocuyo* duty was advanced from 25 to 40 per cent.⁴³ The emphasis on textile duties was likely to inconvenience the British.

In the country which Belford Wilson described in 1842 as "the worst governed [...] in all Spanish America,"⁴⁴ the revenue element was central to tariff policy. Peru, for C.M. Ricketts in 1826, was an exaggerated example of the principle that in "all new governments the means of raising a revenue by levying high duties is generally resorted to."⁴⁵ Military conflict imposed severe burdens on the treasury. It was estimated in the early 1840s that the army, directly or indirectly, drew possibly as many as 30,000 men away from productive activity.⁴⁶ Some of the costs were met by the old Indian poll tax, but the larger proportion of revenues — 53 per cent in both 1825 and 1840 — came from customs dues (McQueen 1926: 37). Commenting on high transit duties on goods bound for Bolivia, Wilson declared in 1835 that the object was "to raise a present Revenue at all hazards."⁴⁷ The words touch on a central reality of so much of early nineteenth century financial history in the North Andean states. The prohibitions and very high duties were, of course, useless to the treasury. Rates up to the 20-30 per cent band, however, do seem to have allowed trade to expand and, therefore, revenues to increase. Over the period 1827 to 1840 the declared value of British exports to Peru rose from £228,000 to £800,000. The state's income from the customs houses doubled over roughly the same period.⁴⁸

Low price elasticity of demand again appears to have affected much of the British import trade. Local competition, in Ricketts' view in 1826, was inconsequential. Imported clothes, shoes, hats, and other items of common use remained widely saleable in spite of the 30 per cent tariff. The main problems for British merchants arose not so much from duties, as

43 PRO, FO 61/118, Adams to Palmerston, June 12, 1848; PRO, FO 61/126, Adams to Palmerston, Dec. 24, 1849; Gootenberg (1982: 344).

44 PRO, FO 97/284, Wilson to Canning, Aug. 27, 1842.

45 PRO, FO 61/8, Ricketts to Canning, Dec. 27, 1826, in Humphreys (1940: 144, also 198).

46 PRO, FO 97/284, Wilson to Canning, Aug. 27, 1842.

47 PRO, BT 1/312, Wilson to Palmerston, Feb. 14, 1835.

48 McQueen (1926: 37); Parliamentary Papers (1854-55, LII: 503); Porter (1851: 362-365). The export figures should, ideally, be adjusted positively for goods entering from Valparaiso and, negatively, for items bound for Bolivia by way of Arica.

from competing North Americans and Europeans. Among the British articles he cited as finding special favour with large numbers of Peruvians were Manchester calicoes, Rochdale baizes and coatings, muslin dresses, and lappets. The only items specified as suffering from "high duties" were a few shoes from Scotland.⁴⁹

The objective of protection was also pursued, but probably with only patchy results. The 1826 commercial code declared that trade "should be animated by protecting and favouring laws" (Humphreys 1940: 198). All the imports labouring under 80 per cent duties were described as being "prejudicial to the agriculture and industry of the State" (Humphreys 1940: 201) — thus sugar; thus *tocuyos*, *bayetas*, and *bayetones*. Prohibitions and effective prohibitions, prevailing into the mid-1830s, must have helped the local producer and were probably enacted with political considerations in mind. In the turmoil of the early-national period governments were loath to see disaffection spread among locally powerful interest groups. In December 1833, President Gamarra, according to Belford Wilson, "erased from the new Code the permission conceded in it to import coarse cottons, Tocuyos, coarse woollen cloths. This measure he adopted, as he unhesitatingly avowed to me, for the purpose of keeping alive his Party in the Interior, where these articles are wove, though of a very ordinary and expensive Manufacture."⁵⁰ The often moderate duties on other items, however, must have combined with low demand elasticity for textiles and other goods of common consumption to keep protection down to rather ineffectual levels. The rise in rates in the late 1840s shows that the very substantial and forceful protectionist lobby, as analysed by Gootenberg (1982: 338-350), believed that the preceding duties had been too low. On the other hand, the very presence of a group who could secure the *Ley de Artesanos* proves that large numbers of manufacturing establishments in Lima had survived the pressure from foreign imports. The regulations to help the new textile factories were very specifically of the infant-industry sort (Gootenberg 1982: 344) and high-light, through contrast, the defensive character of most protective duties in Peru and elsewhere, propping up not so much the young but the old and disabled.

Finally, Bolivia: "a case," according to Williams, "where close co-operation between Great Britain and a new nation worked for the benefit of

49 PRO, FO 61/8, Ricketts to Canning, Dec. 27. 1826, in Humphreys (1940: 122-123, 140-141, 195-198).

50 PRO, BT 1/303, Wilson to Palmerston, Dec. 18, 1833.

both countries" (Williams 1972: 283). She was certainly exceptional, adopting for well over half of the period regulations of unusual liberality. Overall rates of 8 and 5 per cent are cited for 1826 and 1831 respectively by British agents.⁵¹ During the Confederation with Peru the latter's 90 per cent on *tocuyos* was brought down to 20 per cent and the same rate placed on most other goods as well, with a 30 per cent maximum being set in 1837.⁵² Although this was an increase in strictly Bolivian tariffs it remained modest enough to please the British foreign secretary Lord Palmerston, who forecast fine developmental prospects for the confederated territories as a result of their "liberal system of Commercial Policy."⁵³ The dominant political force in early national Bolivia was Andrés de Santa Cruz: a man with "a very strong bias in favour of England," according to J.B. Pentland.⁵⁴ His liberalism, however, was not of the uncorrupted Chuquisaca variety, and it would be difficult to explain Bolivia's peculiarity with reference to his personal economic convictions. It cannot be claimed either that Bolivia was free from militarism and related expenses. In 1831 the army comprised nearly 12,000 regular and irregular troops, some time later mopping up well over half of available fiscal resources.⁵⁵ There was no uncommonly large, non-customs source of revenue available to the government, the main source of funds in the early 1830s being a 5½ per cent *alcabala* sales tax.⁵⁶ The political expediency of selective protection, moreover, must have been as obvious in Bolivia as it was in neighbouring countries, though perhaps less was needed given high transport costs from the Pacific to the main centres of population. It is in fact to geography that we must look for an explanation of the country's odd attachment to commercial liberalism — an attachment which, significantly, weakened a little when Bolivia joined Peru in 1836-39 and regained her old approaches to the sea. Before 1836 the main effort was to pull trade away from the traditional Upper Peru port of Arica in order to escape Peruvian transit duties and to build up a prestigious competitor port by the Pacific. The deserted village of Cobija was selected in the mid-

51 PRO, FO 61/7, Ricketts to Canning, May 30, 1826, in Humphreys (1940: 218); PRO, FO 61/20, Pentland's "Review of the Rise, Progress and Actual State of the Republic of Bolivia," Oct. 24, 1831.

52 PRO, FO 6/53, Wilson to Palmerston, Mar. 20, 1834.

53 PRO, FO 61/43, Palmerston to Wilson, Oct. 30, 1837.

54 PRO, FO 61/20, Pentland's "Review ...," Oct. 24, 1831.

55 Ibid.; PRO, BT 1/297, Wilson to Palmerston, Mar. 27, 1833.

56 PRO, BT 1/297, Wilson to Palmerston, Mar. 5, 1833; see also PRO, FO 61/20, Pentland's "Review ...," Oct. 24, 1831.

1820s and specially low duties were set to attract merchants.⁵⁷ In the late 1820s Santa Cruz showed how his perspectives were national rather than liberal by imposing a 30 per cent duty (and contemplating 50) on all goods entering Bolivia from Peru. Many British traders still used the Arica route.⁵⁸ Between 1828 and 1832 Cobija's imports grew from \$80,117 to \$852,032.⁵⁹ By 1831 it was reckoned that two-thirds of foreign goods came in that way, with increasing numbers of trading houses transferring south from Arica.⁶⁰ Surprisingly, though, of the 399 ships entering in 1827-33 as few as 40 were British (and 16 of these naval vessels). French and United States ships were the most conspicuous.⁶¹

Bolivian tariffs must be characterised as fiscal rather than protective, though even as fund raisers they could hardly have been very effective. Britain appears to have given some push to liberalising tendencies. J.B. Pentland claimed to have been instrumental in getting the Cobija policy under way, and Santa Cruz's tariff for the Confederation was based largely on a code worked out by a specially appointed committee of British and other merchants.⁶²

In Bolivia, many elements of the compound trade barrier discussed earlier came into play. Cobija, for example, lay at the end of the Atacama desert 400 miles from the capital Sucre (Chuquisaca) and connected with the interior by only primitive road transport. Political turmoil too – as in much of Spanish America – had clear, adverse implications for trade. A Foreign Office memorandum of 1841 referred to “the magnitude of the evil which this state of things entails upon the commercial interests of G. Britain.”⁶³ High transport costs and unstable governments, however, are familiar enough problems historiographically and can be put to one side here. Two other matters, though, do seem worthy of some abbreviated comment, both of them consequences of deliberate policy in areas adjacent to the tariff – additional charges on trade, and treaties with the United Kingdom.

57 PRO, FO 61/20, Pentland's “Review ...,” Oct. 24, 1831; PRO, BT 1/297, Wilson to Palmerston, Mar. 27, 1833; PRO, BT 1/297, Pentland to Palmerston, Dec. 8, 1833.

58 PRO, BT 1/297, Passmore to Bidwell, Feb. 24, 1830.

59 PRO, BT 1/297, Pentland to Palmerston, Dec. 8, 1833.

60 PRO, FO 61/20, Pentland's “Review ...,” Oct. 24, 1831.

61 PRO, BT 1/297, Wilson to Palmerston, Mar. 27, 1833.

62 PRO, FO 61/20, Pentland's “Review ...,” Oct. 24, 1831; PRO, FO 61/53, Wilson to Palmerston, Sept. 29, 1838.

63 PRO, FO 97/284, “Memorandum of Spanish American States,” Dec. 31, 1841.

In Gran Colombia between 1822 and 1825 foreigners could not receive cargoes in local ports but had to do all their business through indigenous merchants. The latter were viewed as inefficient and corrupt and had to be paid substantial agency fees. The rule was removed at the request of the British consul general in Bogotá, James Henderson.⁶⁴ Tonnage and harbour dues were also considered to be "exceedingly onerous." A law of July 1824 set, for foreign ships, the tonnage rate at 4 reales and anchorage at \$12 per vessel. Pilotage in and out of harbour could be as high as \$150.⁶⁵ These three charges would amount to \$262 on a 200-ton vessel. Transit duties were a further burden in years when goods were moved around from one port to another in search of a market.⁶⁶ It was, moreover, the habit to add 3 per cent to import duties as a levy on notional return cargoes of bullion and specie.⁶⁷ Colombia also allowed old taxes, such as the *avería*, the *alcabala*, and the *San Lazaro* to survive independence.⁶⁸ In 1824 these were consolidated into a single 3 per cent *derecho de consumo* (Ospina Vásquez 1955: 94-95; Williams 1972: 277), but the *alcabala* was periodically revived in the years ahead (Huck 1972: 23; Ospina Vásquez 1955: 95, 143).

In Peru, likewise, the tonnage duty was 4 reales in the mid-1820s. Since it was collected at every landfall in Peru, vessels on the slow, speculative trip north from Valparaíso could have quite sizeable bills to meet. A 6 per cent supplement was also levied on import duties for each extra port of call. "Merchants complain very justly of this excess," reported C.M. Ricketts.⁶⁹ Traders also objected to the *alcabala* sales tax, initially 2, then 4, then a "vexatious and oppressive" 6 per cent. When this was got rid of in 1826, the benefit was largely cancelled out by the prohibition of foreigners from any trading in the interior⁷⁰—a ruling repeated by Gamarra in 1840.⁷¹ Internal duties survived into the 1830s and with them the *consulado* impost of 1 per cent and the ways-and-means levy of 5 per cent, both of

64 PRO, BT 6/37, Henderson to Canning, Jan. 8, 1824; McFarlane and other British merchants to Watts, Feb. 16, 1824; Henderson to Canning, June 29, 1824; Watts to Planta, Aug. 9, 1824.

65 PRO, BT 6/37, Henderson to Canning, Jan. 8, 1824; PRO, FO 18/37, Wood to Canning, Feb. 28, 1826, in Humphreys (1940: 250).

66 PRO, FO 18/37, Wood to Canning, Feb. 28, 1826, in Humphreys (1940: 244-255).

67 PRO, BT 6/37, McFarlane and other British merchants to Watts, Feb. 16, 1824.

68 PRO, BT 6/37, Henderson to Canning, Jan. 8, 1824.

69 PRO, FO 61/8, Ricketts to Canning, Dec. 27, 1826, in Humphreys (1940: 149).

70 Ibid., in Humphreys (1940: 155, 204).

71 PRO, FO 61/70, Wilson to Palmerston, Dec. 31, 1840.

them falling on foreign goods.⁷² Peru, despite concern about keeping Bolivian trade running through Arica, was levying duties of 5 to 15 per cent on goods moving upcountry from the port in 1839.⁷³

These items are selected exclusively from Colombia and Peru and no analysis accompanies them. They make it clear that trade taxes were not exclusively the work of customs house officials. A notional 25 per cent import duty when combined with internal taxes and transit expenses could easily be doubled a few score miles into the interior. As McGreevey (1971: 80) observes of Colombia, "local duties, state taxes and transport costs were probably greater in value than the tariffs; the tariff itself provided only part of the protection for domestic producers".

Commercial treaties were not essential for the effective conduct of trade between nations, but they attended loosely to "the security of merchants and navigation, and the facility of commercial transactions" (McCulloch 1844: 1260), and as such could be a source of reassurance and a standard for behaviour. The British set considerable store by them, right from the earliest days of independence. Colombia was the first of the Bolivarian states to oblige, in 1825, the arrangement lasting until 1850 and beyond (Williams 1972: 278-279). Venezuela and Ecuador signed separate treaties in 1834 and 1839 respectively (Williams 1972: 280-282). Peru-Bolivia negotiated terms in 1837, but after the collapse of the Confederation Peru let her part of the commitment lapse, renewing it only in 1850 (Williams 1972: 283-288). Averaging it all out we find that Britain spent most of her time in the North Andean states unsupported by treaties. Such arrangements were frequently very unpopular in the region. "The actual Treaty," reported Daniel O'Leary, the British chargé in Bogotá in 1844, "is considered [...] in every way prejudicial to the Interests of the Country, and great is the anxiety on the part of the Government to have it annulled."⁷⁴ Walter Cope observed in Quito in 1839 that prevailing opinion was "manifestly against Treaties with the European Nations," holding that there could be no reciprocity "between powerful nations and weak ones." South Americans, unlike Europeans, "could not take advantage of the concessions in their favour on account of the confined state of their commercial operations."⁷⁵ Treaties of unlimited duration would be a form of

72 Decree of Jan. 31, 1835, in PRO, BT 1/312, Wilson to Palmerston, Feb. 14, 1835; Williams (1972: 286).

73 PRO, BT 1/355, Wilson to Palmerston, July 29, 1839.

74 PRO, FO 55/48, O'Leary to Aberdeen, Sept. 1, 1844.

75 PRO, BT 2/5, Cope to Bidwell, Aug. 22, 1839. For evidence of similar opinions in Chile, see PRO, FO 16/41, Walpole to Palmerston, Oct. 3, 1840.

"perpetual thralldom." Even in Bolivia the renewed arrangement of 1840 was the subject of "a long and agitated debate" in Sucre, according to Wilson who went there to sign it: "all Negotiations with European Powers are viewed [...] with a degree of distrust and suspicion greater even than is common to the other Spanish American Republics."⁷⁶

V. CONCLUSIONS

If trade was the essence of any British imperialist thrust in early nineteenth century South America (profitable investment being inconsequential) then we cannot easily view the North Andean states as important victims. They were not made to do anything against their commercial will by the British government nor were they notably pressurised by the anonymous forces of metropolitan capitalism. Table 1 shows their insignificance as markets for British goods at the end of our thirty-year period. Bolívar's "colossus that extends to every corner of the earth"⁷⁷ had secured no more than a toehold in his republics.

Table 1

Destination of British Exports 1846-1849: Annual Average Declared Value in £

Latin American Countries	Value	% of Total of Latin America	% of Total U.K. Exports	Value per Head
Mexico & Central America	619,483	9.1	1.1	0.06
Cuba and Puerto Rico	883,818	13.0	1.5	0.54
<i>Colombia, Venezuela & Ecuador</i>	<i>407,467</i>	<i>5.9</i>	<i>0.7</i>	<i>0.09</i>
<i>Peru & Bolivia</i>	<i>794,899</i>	<i>11.6</i>	<i>1.4</i>	<i>0.24</i>
Brazil	2,457,540	36.2	4.2	0.34
Argentina & Uruguay				
[with Paraguay]	670,878	9.9	1.2	0.54
Chile	970,716	14.3	1.7	0.75
Total United Kingdom Exports	58,268,681	-	-	-

Sources: Figures based on Porter (1851: 362-367) and Sánchez-Albornoz (1974: table 5.11).

Notable changes, however, occurred after mid-century. These — signalling the gradual and irregular demise of the interimperium — cannot be examined here. They require much additional argument and documen-

76 Bolívar to Hyslop, May 19, 1815, in Lecuna and Bierck (1951, I: 98).

77 PRO, FO 61/70, Wilson to Palmerston, Nov. 9, 1840.

tation and careful analysis of the interplay between tariffs and other elements of the compound trade barrier. Peru manifests an interesting combination of export boom and modest tariff liberalisation. Colombia lacks dramatic commercial expansion, but does show widespread reductions in duties. It will suffice here to refer the reader to the work of Gootenberg, Hunt, and McQueen; and Bushnell, McGreevey, Ospina Vásquez, Palacios, and Safford.⁷⁸

A number of distinction-drawing points must be made in conclusion. First, tariffs, while of the greatest interest fiscally and politically, do, in relation to trade, have to be considered alongside other obstacles to commodity exchange. The analytical exercise should, in substantial measure, be one of determining their comparative weight within the compound trade barrier.

Second, this weight was lower in the interior than in the ports and draws attention to an important distinction that has to be made between heartland and periphery. Degrees of protection and of competition, and of institutional, financial, and political intrusion, could vary significantly between ports such as Cartagena and Guayaquil and inland manufacturing centres like Boyacá and Quito. The historian has to look carefully at the geographical referents of source material specifying the impact of foreign trade on local enterprise.

Third, a distinction must also be drawn between the reaction of old artisan industries to trade and that of new or intended "infant" industries, and careful attention given to their differing developmental implications. Protection in the North Andes before 1850 was usually of the "senile" sort (Ospina Vásquez 1955: 140-141).

Fourth, in one's sometimes obsessive focus on relations with the metropolis, one must not forget that there was quite a lot of trade within the continent itself and that protection was by no means a gesture made exclusively in the direction of industry: agriculture and mining, as Ospina Vásquez points out, were sometimes considered to be more worthy of tariff assistance (Ospina Vásquez 1955: 122).

Fifth, measure must always be taken of the differing objectives of import duties. In the Bolivarian republics protection and revenue were far and

78 Gootenberg (1982: 351-358); Hunt (1985: 295, 306-308); McQueen (1926: 5-10, 37-38); Bushnell (1956: 3-6); McGreevey (1971: 78-82, 97-106, 169-171); Ospina Vásquez (1955: 195-232); Palacios (1980: 2-20); Safford (1965: 187-364). See also Platt (1972: 78-81).

away the principal ones, with revenue the more important of the two and directed in the main towards the military. The collection of urgently needed funds in a handful of customs houses saved on scarce bureaucratic resources and avoided the embarrassments of direct taxation. Strong local pressures gave rise to protection, but they were less regular and rarely progressive.⁷⁹ Prohibitions were the surest approach and widely resorted to, but they of course cancelled out any customs-house gain. Other possible tariff objectives, such as those listed in section two, were usually absent. The contradictory goals indentified, however, draw attention to the awkward ambivalence of so much tariff policy.

Sixth, there is the central distinction between high and low elasticities of demand and supply for different commodities. One has to disaggregate the imports before analysis can proceed, and that has been kept simple here by looking only at the main category, namely textiles. High elasticities indicate a good protection tariff and low elasticities a good revenue tariff. The evidence available suggests fairly low elasticity on cottons, linens, and woollens. Not only did this suit local treasuries, it also suited the British. That, almost certainly, was one reason why their complaints about tariffs were rather muted. Such low elasticity is common to products regarded as necessities by the consumer and selling within a price range that keeps them clear of competition. It would seem likely that there was a wide and growing differential between British and local prices⁸⁰ (along the coasts and better highways, at least); that even moderate-to-high tariffs failed to obliterate this differential; and that the British, being unenthusiastic traders in these parts, still left themselves a good deal of slack in the market.

Seventh, a distinguishing comment is necessary on this category of "the British". One should separate the London and Manchester British — the ministers, investors, manufacturers, and chambers of commerce who ran the body politic and the economy and who articulated their global perspectives on the maximisation of trade and profit — from the American British who actually lived and worked in the counting houses and consulates of the new republics and who were much too far from home to be considered mere agents. The London and Manchester British took a

79 Albert (1983: 27) observes that "throughout Latin America the groups opposing freer trade were generally those most concerned with preserving the established social and political order."

80 Hobsbawm (1969: 76) suggests that the price of 1 lb of spun cotton in Britain fell from 2s 6d in 1812 to 11 1/4d in 1832. See also McGreevey (1971: 38).

detached and somewhat withering view of Spanish America, wishing it had more to offer, and loftily preaching the virtues of political order and economic liberalism. The American British, however, were the comparative handful who had made a personal, commercial commitment. Theirs were the voices that the British diplomatic representatives had in their ears when they penned their elegant and usually futile letters to local ministers. The Foreign Office, possibly eight or nine months away by return, was no useful source of instruction on proper reactions to some new tariff schedule. That, almost certainly, is another reason why the complaints were very measured. Henderson, O'Leary, Wilson, and others were, for the most part, spokesmen for small numbers of British traders. All were alert to local prejudice and interest. The merchants, along with other foreigners, were usually operating well below market-saturation point. The days of glut belonged only to the mid-1820s. The tariff was rarely defined as the make-or-break issue, the marginal increment of cost that would lose them their custom. They were likely to be just as concerned, if not more so, by high transport charges, fluctuations in exchanges, forced loans, and the disposition of armies.

The drift of analysis carries us to somewhat negative conclusions on the tariff. These, however, must be offered cautiously, given the analytical difficulties of the subject and the fragmentary and impressionistic character of much of the available information. There was, without question, a high degree of economic independence (of a not especially salutary sort) between 1820 and 1850. Trading and investment figures provide eloquent testimony to the Bolivarian states' detachment from the British economy. Imperialism, even on the slack definition offered earlier, seems a most inappropriate term to apply to the area's external relations. But the evidence to hand does not suggest that tariffs were particularly decisive in all this, partly because of the great obstructive power of other elements in the compound trade barrier (most notably political instability and transport difficulties), and partly because so many duties were levied for revenue purposes and as such were not designed to depress trade. Even allowing for frequent discrepancies between objective and result, it seems unlikely that British merchants were very seriously inconvenienced by import duties. They certainly did not squeal very much. The tariff serves well as flag-like attestation of national political autonomy, and is important as such, but its impact on trade, in our circumstances of low elasticity of supply and demand for textiles, appears not to have been very great. Its significance lies more in its revelations about internal configurations of political power.

These low, trade-encouraging elasticities were, incidentally, a clear function of economic backwardness. They arose from a systemic vulnerability to foreign intrusion, only marginally affected by the tariff and left underexploited by the metropolis because of other blocking forces in the compound trade barrier. Where some of these impediments eased significantly after mid-century, the vulnerability became dangerously exposed. The tariff, therefore, was not the fashioner of our interimperium. Nor was it part of any Listian economic nationalism, protectionist features notwithstanding. It was a humdrum byproduct of postcolonial militarism, political expediency, and bureaucratic and fiscal deficiency. It bore all the hallmarks of new-state government while contributing little to new-state independence.